

# Thread #4

Business



Franchise: Subway Franchise: Subway The franchise chosen is Subway. The decision to choose the Subway franchise was in part due to the fact that it was chosen as the number one franchise in the submarine sandwich category in 2011 by the Entrepreneur's Franchise 500, one of the world's best comprehensive franchise ranking (Entrepreneur Media, Inc., 2011). The Subway franchise is attractive because of several reasons as cited in its website. First, is its worldwide growth, being the world's largest restaurant chain (Doctors Associates, Inc., 2011). The site went on further to state that Subway is the undisputed leader in fast and healthy food because they offer easy to prepare sandwiches which are "made to order-right in front of the customer - using freshly baked breads, select sauces and a variety of delicious toppings" (Doctors Associates, Inc., 2011). And the third reason which is very important is the continuous support network that it offers its franchisees. Subway's support system includes training, product development, advertising, purchasing cooperative and field support (Doctors Associates, Inc., 2011).

The total investment in starting a Subway franchise is somewhere between \$84,300 to \$258,300. This amount includes the franchise fee, on-going royalty fee, start-up cost, equipment, payroll and inventory (Entrepreneur Media, Inc., 2011). This means that a franchisee must also consider looking into the possible financing options open to him to fund the total investment to be made. Aside from these costs, a business experience is needed to own a subway franchise. The manpower needed to run the franchise will be around six to ten employees. There should also be a total commitment from the franchisee because Subway does not allow absentee ownership and the terms of agreement is for 20 years.

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### Works Cited

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